

Senate Amendment 5157

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1 1 Amend House File 2484, as amended, passed, and
1 2 reprinted by the House, as follows:
1 3 #1. Page 39, by inserting before line 28 the
1 4 following:
1 5
1 6 DELAYED DEPOSIT SERVICES
1 7 Sec. _____. Section 533D.9, Code 2003, is amended to
1 8 read as follows:
1 9 533D.9 FEE RESTRICTION == REQUIRED DISCLOSURE.
1 10 1. A licensee shall not charge, contract for, or
1 11 directly or indirectly receive any interest, fees, or
1 12 charges, except those specifically authorized by this
1 13 section:
1 14 a. TRANSACTION FEE. A licensee shall not charge a
1 15 fee in excess of fifteen five dollars on the first one
1 16 per hundred dollars on the face amount of a check or
1 17 more than ten dollars on subsequent one hundred dollar
1 18 increments on the face amount of the check for
1 19 services provided by the licensee, or pro rata for any
1 20 portion of one hundred dollars face value the amount
1 21 financed. However, the licensee may receive a minimum
1 22 charge of five dollars when the amount financed
1 23 exceeds seventy-five dollars, or three dollars and
1 24 fifty cents when the amount financed exceeds fifty
1 25 dollars.
1 26 b. DEFAULT FEE. If the check is not negotiable on
1 27 the date agreed upon, a licensee may charge a default
1 28 fee, not to exceed fifteen dollars. Only one such fee
1 29 may be collected with respect to a check even if it
1 30 has been redeposited and returned more than once, no
1 31 matter how long the check remains unpaid. A fee
1 32 charged pursuant to this section is a licensee's
1 33 exclusive remedy and charge for late payment or
1 34 nonpayment.
1 35 2. A licensee shall give to the maker of the
1 36 check, at the time any delayed deposit service
1 37 transaction is made, or if there are two or more
1 38 makers, to one of them, notice written in clear,
1 39 understandable language disclosing all of the
1 40 following:
1 41 a. The transaction fee to be charged for the
1 42 transaction.
1 43 b. The annual percentage rate on the first hundred
1 44 dollars on the face amount of the check which the fee
1 45 represents, and the annual percentage rate on
1 46 subsequent one hundred dollar increments which the fee
1 47 represents, if different transaction.
1 48 c. The date on which the check will be deposited
1 49 or presented for negotiation.
1 50 d. Any penalty, not to exceed fifteen dollars,
2 1 which The default fee that the licensee will charge if
2 2 the check is not negotiable on the date agreed upon.
2 3 A penalty The notice shall state that the default fee
2 4 to be charged pursuant to this section shall only be
2 5 collected by the licensee once on a check no matter
2 6 how long the check remains unpaid. A penalty; and
2 7 that a default fee to be charged pursuant to this
2 8 section is a licensee's exclusive remedy and if a
2 9 licensee charges a penalty default fee pursuant to
2 10 this section no other penalties under this chapter or
2 11 any other provision apply.
2 12 3. In addition to the notice required by
2 13 subsection 2, every licensee shall conspicuously
2 14 display a schedule of all fees, charges, and penalties
2 15 for all services provided by the licensee authorized
2 16 by this section. The notice shall be posted at the
2 17 office and every branch office of the licensee. The
2 18 licensee shall provide a written schedule of the fees,
2 19 charges, interest rates, and penalties upon request.
2 20 4. The licensee shall make all notices and
2 21 disclosures required under this section available in
2 22 the languages spoken by consumers who frequent that
2 23 location.
2 24 Sec. _____. Section 533D.10, Code 2003, is amended
2 25 to read as follows:

2 26 533D.10 PROHIBITED ACTS BY LICENSEE.
2 27 1. A licensee shall not do any of the following:
2 28 a. Hold from any one maker more than ~~two checks~~
2 29 ~~one check~~ at any one time.
2 30 b. Hold from any one maker a check ~~or checks in an~~
2 31 ~~aggregate face amount~~ of more than ~~five~~ three hundred
2 32 dollars at any one time.
2 33 c. Hold or agree to hold a check for ~~more~~ less
2 34 than ~~thirty-one~~ thirty days.
2 35 d. Require the maker to receive payment by a
2 36 method ~~which~~ that causes the maker to pay additional
2 37 or further fees and charges to the licensee or another
2 38 person.
2 39 e. Repay, refinance, or otherwise consolidate a
2 40 postdated check transaction with the proceeds of
2 41 another postdated check transaction made by the same
2 42 licensee.
2 43 f. Receive any other charges or fees in addition
2 44 to the fees listed in section 533D.9, ~~subsections~~
2 45 subsection 1 and 2.
2 46 g. The termination of a delayed deposit
2 47 transaction either through the payment of the
2 48 consumer's check by the drawee bank, through the
2 49 return of the check to a consumer who redeems it for
2 50 consideration, through expiration of the check's
3 1 maturity date, or through any other method of
3 2 termination. The licensee shall not enter into
3 3 another delayed deposit transaction with the same
3 4 consumer for at least two days after the termination
3 5 of a delayed deposit transaction either through the
3 6 payment of the consumer's check by the drawee bank,
3 7 through the return of the check to a consumer who
3 8 redeems it for consideration, through expiration of
3 9 the check's maturity date, or through any other method
3 10 of termination. However, the licensee may extend the
3 11 term of the loan without charge.
3 12 2. For purposes of this section, "licensee"
3 13 includes a person related to the licensee by common
3 14 ownership or control, a person in whom the licensee
3 15 has any financial interest, or any employee or agent
3 16 of the licensee.>
3 17 #2. Title page, line 2, by inserting after the
3 18 word the following: 3 19 services,>.
3 20
3 21
3 22
3 23 JOE BOLKCOM
3 24 THOMAS G. COURTNEY
3 25 ROGER STEWART
3 26 HERMAN C. QUIRMBACH
3 27 HF 2484.203 80
3 28 kk/sh